

**DEPARTMENT OF DEVELOPMENTAL SERVICES
BUDGET ACT
FISCAL YEAR 2002-03**

EXECUTIVE SUMMARY

Despite the State's fiscal situation and the very difficult decisions that had to be made to reduce statewide budget requests, the Department of Developmental Services' (Department) budget for 2002-03 shows an increase of \$124 million, or 4.5 percent over the estimated 2001-02 expenditures.

For the Community Services Program, the 2002-03 budget shows a \$129 million increase, or 6.2 percent. Major changes include: \$15.2 million for regional centers to hire additional case managers and/or clinical staff; an increase of \$20.5 million for the Community Placement Plan; \$17 million associated with the increased service needs of the growing autism population; and \$151.7 million for increased population and service utilization needs. Other changes that reflect the State's fiscal situation include: a \$52 million unallocated reduction for purchase of services; one-year suspension of the regional center performance contract incentive program; a \$4.6 million decrease related to the extension of intake and assessment timelines; and a \$6 million decrease related to a one-year suspension of start-up funding other than in critical situations.

For the Developmental Centers Program, the 2002-03 budget shows a \$3.8 million increase, or .6 percent. Major changes include: a \$2.6 million increase related to population changes, and a \$748,000 fund shift due to the delay in certification of Canyon Springs. Other changes that reflect the State's fiscal situation include a reduction of \$1.1 million and 22 positions in Non-Level-of-Care staff.

For the Headquarters Program, the 2002-03 budget shows a \$735,000 increase, or 2.5 percent. Major changes include an increase of \$535,000 and 12 positions related to increasing federal financial participation. Other changes related to the State's fiscal situation include a reduction of \$2.7 million and 33 positions in State operations. This does not reflect potential decreases related to the statewide reduction of 6,000 positions and associated dollars, and a statewide reduction of \$750 million to State operations.

DEPARTMENT OF DEVELOPMENTAL SERVICES

2002-03 BUDGET ACT

PROGRAM HIGHLIGHTS

Community Services Program

The 2002-03 Budget Act includes \$2.2 billion to provide services and supports to persons with developmental disabilities in the community. The Community Services budget reflects an increase of \$129 million, a 6.2 percent increase in funding for regional centers over 2001-02 estimated expenditures. Significant changes are as follows:

➤ **Enhancing Federal Financial Participation**

An increase of \$15.2 million General Fund directed to hiring additional case managers and/or clinical staff to maintain increased federal financial participation.

➤ **Community Placement Plan (CPP)**

An increase of \$20.5 million which reflect regional centers' plans to provide planning and placement services for consumers who move into the community from the developmental centers.

➤ **Autism Services**

An increase of \$17 million to reflect the increased service demands due to the exceptional growth in consumers diagnosed with autism.

➤ **Caseload**

An increase of \$151.7 million to fund increased costs at the regional centers due to the projected caseload growth of 9,725 consumers as well as increased utilization of purchase of services based on consumer needs.

➤ **Purchase of Services Unallocated Reduction**

An unallocated reduction of \$52 million assessed on Purchase of Services funding due to the State's fiscal situation.

➤ **Suspension of Performance Contract Incentives**

One-year suspension of the regional centers' performance contract incentive program.

➤ **Intake and Assessment from 60 to 120 Days**

A one-year decrease of \$4.6 million related to the extension of time allowed for regional center intake and assessment from 60 days to 120 days.

➤ **Suspension of Non-CPP Start-up Funding**

A one-year decrease of \$6 million related to the suspension of non-CPP start-up activities unless the expenditure is necessary to protect the consumers' health and safety or because of other extraordinary circumstances, and the Department has granted prior authorization for the expenditure.

Developmental Centers Program

The 2002-03 Budget Act includes \$628 million for the Developmental Centers Program. This reflects an increase of \$3.8 million, a .6 percent increase from 2001-02 estimated expenditures. The total number of positions authorized in 2002-03 for the developmental centers is 8793.1, a net increase of 60 positions. Significant changes are as follows:

➤ **Population Adjustments and Staffing**

The Developmental Centers average in-center population is expected to decline from 3,686 in 2001-02 to 3,667 in 2002-03 for a net decrease of 19 residents. Due to an increase in consumers being served with more intensive needs, there is a resulting net increase of \$2.6 million and 60 level-of-care positions associated with the change in the population mix.

➤ **Non-Level-of-Care Position Reduction**

A reduction of \$1.1 million and 22 Non Level-of-Care positions as part of the overall reduction in state operation costs.

➤ **Canyon Springs Delay in Certification**

An increase of \$748,000 in General Fund and a corresponding decrease in Medi-Cal funds due to the delay in certification of Canyon Springs to March 31, 2003.

Headquarters

The 2002-03 Budget Act includes \$ 29.9 million for the Department's Headquarters budget. This reflects an increase of \$.7 million; a 2.5 percent increase in funding from 2001-02 estimated expenditures. The total number of positions authorized in 2002-03 for Headquarters is 403.5, a decrease of 21.5 positions resulting in a 5.1 percent reduction. Significant changes are as follows:

➤ **Enhancing Federal Financial Participation**

An increase of \$535,000 and 12 positions to support the mandated activities related to maintaining federal financial participation through the Medicaid Home and Community-Based Services Waiver.

➤ **State Operations Reduction**

A reduction of \$2.7 million and 33 positions as part of the overall reduction in state operation costs.

➤ **Other Potential Reductions**

Not reflected in the numbers presented in the Department's Headquarters highlights is an unknown impact from the statewide reduction of 6,000 positions with associated dollars and, in addition, a statewide reduction of \$750 million in state operations in 2002-03.

CALIFORNIA DEVELOPMENTAL DISABILITIES INFORMATION SYSTEM (CADDIS)

The 2002-03 Budget Act includes \$.4 million for the remaining implementation costs of the regional centers' new automated accounting/information system. This is a decrease of \$9 million over 2001-2002 estimated expenditures. This system will significantly improve regional centers expenditure and consumer reporting required by the Department and federal agencies.

**DEPARTMENT OF DEVELOPMENTAL SERVICES
FISCAL YEAR 2002-03 BUDGET ACT**

FUNDING SUMMARY

(Dollars in Thousands)

	<u>2001-02</u>	<u>2002-03</u>		
	Estimated Expenditures	Budget Act	Difference	Percent Change
PROGRAM SUMMARY:				
COMMUNITY SERVICES	\$2,086,131	\$2,215,205	\$129,074	6.2%
DEVELOPMENTAL CENTERS	624,689	628,484	3,795	0.6%
HEADQUARTERS SUPPORT	29,140	29,865	725	2.5%
CADDIS	9,498	401	-9,097	-95.8%
STATE MANDATES	328	4	-324	-98.8%
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TOTALS, ALL PROGRAMS	\$2,749,786	\$2,873,959	\$124,173	4.5%
FUND SOURCES:				
General Fund	1,734,952	1,815,088	80,136	4.6%
General Fund Reappropriation	9,836	636	-9,200	-93.5%
Reimbursements: Total	951,880	1,004,190	52,310	5.5%
<i>Medicaid Waiver</i>	410,212	437,205	26,993	6.6%
<i>Targeted Case Management</i>	87,845	82,681	-5,164	-5.9%
<i>Medi-Cal</i>	275,967	284,595	8,628	3.1%
<i>Title XX Block Grant</i>	161,672	181,973	20,301	12.6%
<i>All Other</i>	16,184	17,736	1,552	9.6%
Federal Trust Fund	47,191	49,496	2,305	4.9%
Lottery Education Fund	981	2,497	1,516	154.5%
Program Development Fund	2,046	2,052	6	0.3%
Dev. Disabilities Services Account	2,900	0	-2,900	-100.0%
AVERAGE CASELOAD:				
Developmental Centers	3,686	3,667	-19	-0.5%
Regional Centers	172,505	182,230	9,725	5.6%
AUTHORIZED POSITIONS:				
Developmental Centers	8,733.1	8,793.1	60.0	0.7%
Headquarters	425.0	403.5	-21.5	-5.1%

**DEPARTMENT OF DEVELOPMENTAL SERVICES
FISCAL YEAR 2002-03 BUDGET ACT**

(Dollars in Thousands)

	<u>2001-02</u>	<u>2002-03</u>		
	<u>Estimated Expenditures</u>	<u>Budget Act</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Community Services Program				
Regional Centers	\$2,050,650	\$2,179,938	\$129,288	6.3%
<i>Operations</i>	383,878 ^{1/}	404,850 ^{2/}	20,972	5.5%
<i>Purchase of Services</i>	1,666,772	1,775,088	108,316	6.5%
Early Intervention Program	20,080	20,095	15	0.1%
Habilitation Services	15,401	15,172	-229	-1.5%
Totals, Community Services	\$2,086,131	\$2,215,205	\$129,074	6.2%
General Fund	1,355,239	1,452,722	97,483	7.2%
GF Reappropriation	9,836	235	-9,601	-97.6%
PDF	1,800	1,800	0	0.0%
Federal Trust Fund	45,078	46,995	1,917	4.3%
Dev. Disabilities Services Account	2,900	0	-2,900	-100.0%
Reimbursements	671,278	713,453	42,175	6.3%
Developmental Centers Program				
Personal Services	\$493,226	\$503,728	\$10,502	2.1%
Operating Expenses & Equipment	131,463	124,756	-6,707	-5.1%
Total, Developmental Centers	\$624,689	\$628,484	\$3,795	0.6%
General Fund	344,918	343,178	-1,740	-0.5%
Federal Trust Fund	564	655	91	16.1%
Lottery Education Fund	981	2,497	1,516	154.5%
Reimbursements	278,226	282,154	3,928	1.4%
Headquarters Support				
Personal Services	\$23,414	\$24,255	841	3.6%
Operating Expenses & Equipment	5,726 ^{1/}	5,610	-116	-2.0%
Total, Headquarters Support	\$29,140	\$29,865	\$725	2.5%
General Fund	\$24,969	\$19,184	-\$5,785	-23.2%
Federal Trust Fund	1,549	1,846	297	19.2%
PDF	246	252	6	2.4%
Reimbursements	2,376	8,583	6,207	261.2%
CADDIS				
General Fund	9,498	401	-9,097	-95.8%
General Fund	9,498	401	-9,097	-95.8%
State Mandates				
General Fund	\$328	\$4	-\$324	-98.8%
General Fund	\$328	\$4	-\$324	-98.8%
Totals, All Programs	\$2,749,786	\$2,873,959	\$124,173	4.5%
General Fund	1,734,952	1,815,088	80,136	4.6%
General Fund Reappropriation	9,836	636	-9,200	-93.5%
Federal Trust Fund	47,191	49,496	2,305	4.9%
Lottery Education Fund	981	2,497	1,516	154.5%
PDF	2,046	2,052	6	0.3%
DDSA	2,900	0	-2,900	-100.0%
Reimbursements	951,880	1,004,190	52,310	5.5%
Caseload:				
Developmental Centers	3,686	3,667	-19	-0.5%
Regional Centers	172,505	182,230	9,725	5.6%
Authorized Positions:				
Developmental Centers	8,733.1	8,793.1	60.0	0.7%
Headquarters	425.0	403.5	-21.5	-5.1%

^{1/} Regional Centers - Operations reduced by \$4,028,000 and Headquarters Operating Expenses and Equipment reduced by \$5,470,000 for CADDIS which is displayed separately.

^{2/} Regional Centers - Operations reduced by \$401,000 which is reappropriated from 2001-02 for CADDIS and displayed separately.